



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

February 10, 2011

TOM MECHLER, TREASURER  
REPUBLICAN PARTY OF TEXAS  
1108 LAVACA STREET, SUITE 500  
AUSTIN, TX 78701

**Response Due Date**  
**03/17/2011**

IDENTIFICATION NUMBER: C00143743

REFERENCE: 30 DAY POST-GENERAL REPORT (10/14/2010 - 11/22/2010)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following **15** item(s):

1. Line 21(b) of the Detailed Summary Page of your report discloses a total of \$219,155.41 in other federal operating expenses. The sum of the entries itemized on Schedule B, however, indicates the total to be \$224,214.32. Please amend your report to clarify the discrepancy.
2. Schedule A supporting Line 12 of your report discloses transfers from apparent joint fundraising committees. In addition, your report includes memo entries on Schedule A for what appears to be your committee's share of the gross contributions received through these joint fundraising efforts. Please amend your report to clearly identify on the Schedule A, which joint fundraising committee each memo entry relates to.
3. Schedule B supporting Line 21(b) of your report discloses \$390.16 in activity identified as MEMO entries that do not appear to correspond with any itemized transaction(s). Please be advised, a memo entry is used to disclose additional information about an itemized transaction and the amount of a memo entry is not included in the total receipts or disbursements for the report. Please amend your report to provide clarifying information regarding this activity.
4. Schedule B supporting Line 21(b) discloses a payment totaling -\$3,000 to "Malakoff Partners". It appears that this transaction represents an in-kind contribution made to a federal candidate during the current reporting period,

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but paid for in a prior reporting period. However, your report(s) does not appear to disclose any prior payment(s) to "Malakoff Partners". Please amend the report covering the period(s) during which the original payment(s) was disbursed and disclose the original date of the payment.

**5.** Schedule B supporting Line 22 discloses \$44,000 in transfers to what appears to be a non-federal account of your committee. Please provide further clarification regarding this transfer to your non-federal account.

You are advised that 11 CFR §102.5 prohibits a non-federal account from financing activity in connection with federal elections. If any of these disbursements were made to influence the election or defeat of specific federal candidates, the disbursements should be allocated accordingly and disclosed as either in-kind contributions on Schedule B supporting Line 23, independent expenditures on Schedule E supporting Line 24, or as coordinated expenditures on Schedule F supporting Line 25. 11 CFR §§104.3(b)(3) and 106.1 In addition, if your non-federal account has paid any expenditures which should have been allocated, you are advised to correct any non-compliance with 11 CFR §§106.6 and 106.7 and establish procedures to ensure future compliance with allocation regulations.

**6.** Schedule B supporting Line 23 of your report discloses \$18,916.68 in activity identified as MEMO entries that do not appear to correspond with any itemized transaction. Please be advised, a memo entry is used to disclose additional information about an itemized transaction and the amount of a memo entry is not included in the total receipts or disbursements for the report.

Additionally, this activity appears to be for in-kind contributions made on behalf of apparent non-federal candidates. When disclosing in-kind contributions, you should identify the candidate who has received goods and services from your committee and also provide information about the original vendor for these goods and services. If the original payments for the goods and services have already been itemized as operating expenditures and included in the total for Line 21(b) of the Detailed Summary Page then the amount of such activity should be subtracted from Line 21(b) and added to Line 29 of the Detailed Summary Page. Please amend your report to clarify this discrepancy.

**7.** Schedule B supporting Line 30(b) of your report discloses a payment(s) for "GOTV Mailers Non Allocable", "GOTV Mailing" and "Voter Guide Mailing" which is categorized as Federal Election Activity and therefore, may require the disclosure of the candidate(s) this activity should be attributed to. Expenditures and disbursements for public communications that refer to a

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clearly identified candidate for Federal office and that promote, support, attack or oppose any candidate for Federal office, meet the definition of Federal Election Activity under 11 CFR §100.24 and should be disclosed on Schedule B for Line 30(b) along with the identity of the candidate(s).

Further, please be advised that public communications that meet the definition of Federal Election Activity and that also contain express advocacy as defined under 11 CFR §100.22, but do not meet the conditions of exempt activity, would constitute an in-kind contribution, an independent expenditure or a coordinated party expenditure and should be properly disclosed on a Schedule B, E or F supporting Lines 23, 24 or 25, as appropriate rather than on Schedule B for Line 30(b). Please clarify if this activity meets the definition of Federal Election Activity or if it contains express advocacy and amend your report to properly disclose this activity, if necessary.

**8.** Schedule B supporting Line 30(b) discloses a payment(s) totaling -\$27,500 to "Bearse and Company". It appears that this transaction represents an in-kind contribution made to non-federal candidates during the current reporting period, but paid for in a prior reporting period. However, your report(s) does not appear to disclose any prior payment(s) to "Bearse and Company". Please amend the report covering the period(s) during which the original payment(s) was disbursed and disclose the original date of the payment.

**9.** Schedule B of your report discloses reimbursements to "Laura Murray" totaling \$317.65 for "Reimbursements: See Below." Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in \$200 or more in a calendar year, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information and clearly identify on the Schedule B, which reimbursement each memo entry relates to. If itemization is not necessary, you must indicate so in an amendment to this report. 11 CFR §300.36(b), and Advisory Opinions 1992-1 and 1996-20, footnote 3

**10.** Schedule F supporting Line 25 discloses an apparent voided check(s) to "PremierIMS, Inc.", however, it appears that your committee has not reported an original disbursement to that vendor for that amount. Please amend the report covering the period(s) during which the disbursement(s) was made and disclose the original date of the payment.

**11.** On the Schedule L Aggregation Page for the "LEVIN V" account, the

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beginning cash balance, Line 7, Column A, should equal the ending balance, Line 11, Column A, of your previous report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

**12.** Your calculations for Line 11 on the Schedule L Aggregation Page for the "LEVIN V" account appear to be incorrect. Cash-on-hand at the close of the current reporting period (Column A) should always equal the closing calendar year-to-date (Column B) cash-on-hand amount. Please amend your report to disclose the corrected total(s).

**13.** For future reporting, please be advised that only contributions to federal candidates and political committees should be itemized on a separate Schedule B supporting Line 23 of the Detailed Summary Page. Contributions to non-federal candidates and committees should be itemized on Schedule B supporting Line 29.

**14.** Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Coordinated Expenditures on behalf of non-federal candidates should be properly disclosed on a separate Schedule B, supporting Line 29 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

**15.** Schedule H4 of your report discloses activity which is 100% federal. For future reporting, please be advised that any activity which is financed entirely by the federal account (including administrative expenses), should be reported on Schedule B supporting Line 21(b).

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

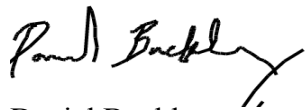
Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the

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Reports Analysis Division) or my local number (202) 694-1141.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Buckley". The signature is fluid and cursive, with a large initial "D" and a stylized "B".

Daniel Buckley  
Senior Campaign Finance Analyst  
Reports Analysis Division